

## Message Text

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ACTION COME-00

INFO OCT-01 NEA-10 ISO-00 EB-08 L-03 H-01 TRSE-00  
OMB-01 SS-15 NSC-05 SP-02 STR-07 CIAE-00 INR-10  
NSAE-00 AID-05 OPIC-03 XMB-02 /073 W  
-----053660 161752Z /43

R 161133Z JUL 78

FM USLO RIYADH

TO SECSTATE WASHDC 593

INFO AMEMBASSY JIDDA

AMCONSUL DHAHRAN

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EO 11652: NA

TAGS: ETRD, SA

SUBJECT: ARAB BOYCOTT: U.S. FIRM BANNED FROM ARAB PROJECT  
UNDER SAUDI FUND FOR DEVELOPMENT (SFD)

REF (A) STATE 168023, (B) STATE 173607

1. SAUDI BOYCOTT DIRECTOR KHOJA CALLED USLO TO DISCUSS  
CHEMONICS TELEX TO MINISTRY OF COMMERCE. KHOJA WAS  
UNFAMILIAR WITH SFD AND USLO BRIEFED HIM ON FUND AND  
ITS LOCATION. HE THEN PZIZDYCPRVKOS OF THE APPROVED  
L/C AND CONTRACT LANGUAGE WITH A COVER LETTER TO THE  
SFD STATING THE LANGUAGE WAS ACCEPTABLE. PACKAGE WAS  
IMMEDIATELY DELIVERED TO DR. KHALID MASSOUD, DEPUTY  
DIRECTOR AT SFD.

2. USLO ATTEMPTED TO FOLLOWUP WITH SFD BUT DEPUTY  
DIRECTOR HAS DECLINED TO DISCUSS CASE, EXPLAINING  
THE PROCEDURAL REGULATIONS FORBID HIM TO DEAL WITH  
ANY PARTY EXCEPT GRANTEE GOVERNMENT.

3. USLO HAS PASSED ABOVE INFO TO CHEMONICS BY  
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COMMERCIAL TELEX AND ADVISED CHEMONICS TO CONTACT  
SFD THROUGH GOVERNMENT OF MALI.

4. IN REGARD TO PARA 5 REF A, PROBLEM SEEMS TO HAVE  
ARISEN OUT OF NORMAL DIFFICULTIES IN COMMUNICATION  
BETWEEN SAUDI AGENCIES. SFD, WHICH HAS FEW DIRECT  
CONTRACTS WITH U.S. FIRMS, PROBABLY WAS NOT YET AWARE

OF NEW LANGUAGE. HOWEVER, ONCE PROBLEM WAS POINTED OUT  
SAUDI BOYCOTT OFFICE REACTED WITHIN 24 HOURS TO BRIEF  
THEM. USLO BELIEVES SFD WILL RESPOND FAVORABLY. ITS  
RETICENCE IN DISCUSSING CASE WITH USLO IS STANDARD  
OPERATION PROCEDURE IN AN ORGANIZATION WHICH IS VERY  
SENSITIVE ABOUT ITS REPUTATION FOR IMPATRIALITY.  
GRANINGER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ARABS, BOYCOTTS, BUSINESS FIRMS, PROGRAMS (PROJECTS)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 jul 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978RIYADH00584  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780292-0529  
**Format:** TEL  
**From:** RIYADH  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780755/aaaabuct.tel  
**Line Count:** 69  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 89018072-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION COME  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 STATE 168023, 78 STATE 173607  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1992881  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ARAB BOYCOTT: U.S. FIRM BANNED FROM ARAB PROJECT UNDER SAUDI FUND FOR DEVELOPMENT (SFD)  
**TAGS:** ETRD, SA, US, CHEMONICS  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/89018072-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014